

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-106-113)

The United States Postal Service hereby provides its responses to the following
interrogatories of Office of the Consumer Advocate: OCA/USPS-106-113, filed on
October 19, 2001.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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November 2, 2001

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SCHENK
TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE**

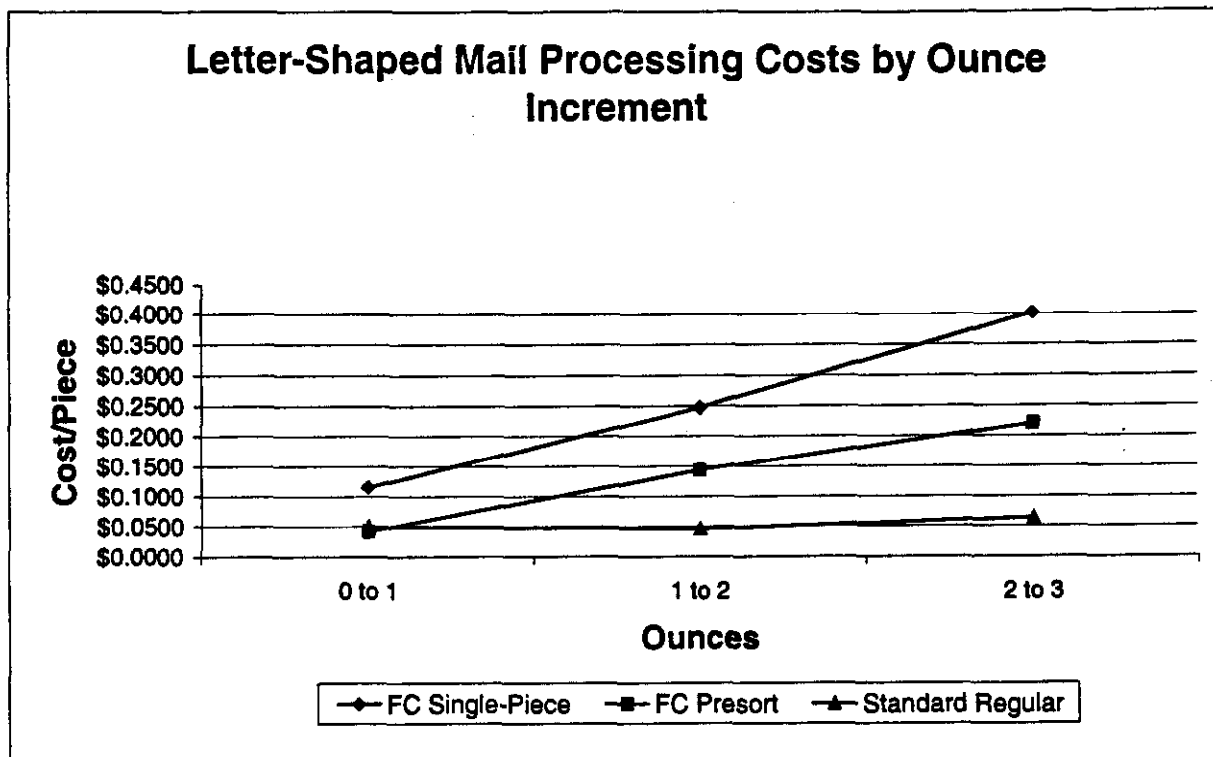
OCA/USPS-106. Please refer to the table and the graph below.

**LETTER-SHAPED MAIL PROCESSING COSTS
BY OUNCE INCREMENT, 0 to 3 ozs.
Single-Piece, Presorted, Standard Regular
Test Year**

<u>Single-Piece</u>	<u>0 to 1</u>	<u>1 to 2</u>	<u>2 to 3</u>
volume	40,831,219,813	1,777,163,946	294,578,927
all mp (3.1) tally (\$000)	4,698,665	438,490	118,329
MP Unit Cost	\$0.1151	\$0.2467	\$0.4017
Marginal Cost Difference		\$0.1317	\$0.1550
Percentage Change		114.41%	62.80%
<u>Presort</u>			
volume	49,102,814,768	1,203,209,191	126,940,877
all mp (3.1) tally (\$000)	2,085,986	172,253	28,018
MP Unit Cost	\$0.0425	\$0.1432	\$0.2207
Marginal Cost Difference		\$0.1007	\$0.0776
Percentage Change		236.99%	54.17%
<u>Standard Regular</u>			
volume	33,010,451,919	7,106,016,427	1,504,667,741
all mp (3.1) tally (\$000)	1,642,169	329,152	95,961
MP Unit Cost	\$0.0497	\$0.0463	\$0.0638
Marginal Cost Difference		(\$0.0034)	\$0.0175
Percentage Change		-6.89%	37.68%

SOURCE: First-Class Single-Piece, USPS-LR-J-58, LR58ASP.xls, at 16.
First-Class Presort, USPS-LR-J-58, LR58PRE.xls, at 16.
Standard Mail, USPS-LR-J-58, LR58AREG.xls, at 17.

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- a. Please confirm that the "MP Unit Cost" for Single-Piece, Presort, and Standard Regular at each weight increment is correct. If you do not confirm, please provide the correct mail processing unit costs and show all calculations.
- b. Please confirm that the "Marginal Cost Difference" for Single-Piece, Presort, and Standard Regular is correct. If you do not confirm, please provide the correct marginal cost difference and show all calculations.
- c. Please confirm that the "Percentage Change" for Single-Piece, Presort, and Standard Regular is correct. If you do not confirm, please provide the correct percentage change and show all calculations.

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RESPONSE:

- a. The calculations are confirmed.
- b. The calculations are confirmed.
- c. The calculations are confirmed.

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OCA/USPS-107. Please refer to the table in OCA/USPS-106. For single-piece, presort, and Standard Regular, please provide the number of weighted and unweighted tallies for the line, "all mp (3.1) tally (\$000)."

RESPONSE:

LETTER-SHAPED WEIGHTED IOCS TALLIES (000)
FOR MAIL PROCESSING (C/S 3.1)
BY OUNCE INCREMENT, 0 to 3 oz.

Subclass	0 to 1	1 to 2	2 to 3
First-Class Single Piece	1,677,070	159,927	44,889
First-Class Presort	607,916	48,325	8,116
Standard Regular	470,777	93,588	27,686

LETTER-SHAPED UNWEIGHTED IOCS TALLIES
FOR MAIL PROCESSING (C/S 3.1)
BY OUNCE INCREMENT, 0 to 3 oz.

Subclass	0 to 1	1 to 2	2 to 3
First-Class Single Piece	22,894	2,286	44,889
First-Class Presort	7,966	679	110
Standard Regular	6,497	1,319	407

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SCHENK
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OCA/USPS-108. Please refer to the table and graph in OCA/USPS-106. Please provide the standard error for the mail processing unit costs at each ounce increment for single-piece, presort, and Standard Regular.

RESPONSE:

Given limited resources and the fact that the cost estimates were only used to indicate the general relationship between cost and weight, no standard errors were calculated for Test Year mail processing cost estimates reported in USPS-LR-J-58.

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OCA/USPS-109. Please refer to the table and graph in OCA/USPS-106. For single-piece, presort, and Standard Regular, please provide the direct volume variable mail processing costs without any piggyback factors or indirect costs.

RESPONSE:

LETTER-SHAPED DIRECT VOLUME-VARIABLE COSTS (\$000)
FOR MAIL PROCESSING (C/S 3.1)
BY OUNCE INCREMENT, 0 to 3 oz.

Subclass	0 to 1	1 to 2	2 to 3
First-Class Single Piece	1,512,879	138,884	37,773
First-Class Presort	567,963	45,675	6,912
Standard Regular	429,831	83,646	25,221

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OCA/USPS-110. Please refer to USPS-LR-J-58, at pages 1 and 2, which contain the Premium Pay Factors and Reconciliation Factors by Class, and the test year Piggyback Factors and Cost Ratio by Cost Pool. Also, please refer to pages 103 to 202 in USPS-LR-J-58.

- a. For MODS 1 and 2 and Non-MODS offices, please confirm that test year volume variable mail processing costs are determined as follows: base year 2000 mail processing costs * class-specific reconciliation factor * pool-specific cost ratio * ((class-specific premium pay factor + pool-specific piggyback factor) – 1). If you do not confirm, please explain.
- b. Please confirm that the formula in part a. is applicable to all classes by shape and ounce increments. If you do not confirm, please explain.
- c. For BMCs, please confirm that test year volume variable mail processing costs are determined as follows: base year 2000 mail processing costs * class-specific reconciliation factor * pool-specific cost ratio * pool-specific piggyback factor. If you do not confirm, please explain.
- d. Please confirm that the formula in part c. is applicable to all classes by shape and ounce increment. If you do not confirm, please explain.

RESPONSE:

- a. Not confirmed. The test year volume variable mail processing costs are determined as follows: base year 2000 mail processing costs * class-specific reconciliation factor * pool-specific cost ratio * (class-specific premium pay factor + pool-specific piggyback factor – 1).
- b. Confirmed, using the corrected formula in the response to a.
- c. Confirmed.
- d. Confirmed.

**Response of the United States Postal Service to Interrogatories of the Office of
the Consumer Advocate**

OCA/USPS-111.

- a. Please identify the LDC, cost pools, and MODS 3-digit codes applicable to the processing of letters, flats and parcels (i.e., nonletters/nonflats), respectively. If this information has been previously provided in this docket, please give the citation.
- b. For the LDC, cost pools, and MODS 3-digit codes provided in response to part a., please provide the workhours, total pieces handled (TPH), total pieces fed (TPF), first handling pieces (FHP), and pool costs. If this information has been previously provided in this docket, please give the citation.
- c. For the LDC, cost pools, and MODS 3-digit codes provided in response to part a., please identify those LDC, cost pools, and MODS 3-digit codes that involve the application of barcodes. If this information has been previously provided in this docket, please give the citation.

OCA/USPS-111 Response:

- a. Please see USPS LR-J-55, Section I, at I-12 to I-27. The following MODS mail processing cost pools are shape-specific:

Letters: OCR, BCS/, BCS/DBCS, LSM, MANL (Manual Letters), LD41

Flats: FSM/, FSM/1000, MANF (Manual Flats)

Parcels: MECPARC, MANP (Manual Parcels)
- b. Please see the USPS LR-J-55, Section I, at I-5 for the pool costs. Please see the responses to interrogatories AOL-TW/USPS-1 and AOL-TW/USPS-3 for the workhour and piece handling data.
- c. The operations in the OCR cost pool, and OSS operations in LDCs 11 and 41, involve the application of POSTNET barcodes to letter-shape pieces. Please see also the response to subpart (a).

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OCA/USPS-112:

- a. Please provide the weighted and unweighted IOCS tallies, by ounce increment, separately for letters, flats and parcels (i.e., nonletters/nonflats) in First-Class single-piece, First-Class presort, and Standard Mail Regular, respectively.
- b. Please provide the depth of sort, by ounce increment, separately for letters, flats and parcels (i.e., nonletters/nonflats) in First-Class single-piece, First-Class presort, and Standard Mail Regular, respectively.

RESPONSE

- a. Tables 1-5 display IOCS direct tallies by ounce increment for letters, flats, IPPs and parcels in First-Class Single-Piece, First-Class Presort and Standard Mail Regular.

TABLE 1--

OUNCE INCREMENT: WEIGHT <= 1 OZ.		LETTER		FLAT		IPP or PARCEL	
		Tallies	Weighted Tallies	Tallies	Weighted Tallies	Tallies	Weighted Tallies
FIRST CLASS	SINGLE PIECE	34,006	2,524,457,467.67	1,873	134,494,769.73	154	10,621,039.10
	PRESORT	13,644	1,021,893,900.71	437	31,106,438.49	8	508,767.41
STD. MAIL	REGULAR	10,442	761,462,851.03	2,637	194,018,901.65	101	7,177,700.88

TABLE 2--

OUNCE INCREMENT: 1 OZ. < WEIGHT <= 2 OZS.		LETTER		FLAT		IPP or PARCEL	
		Tallies	Weighted Tallies	Tallies	Weighted Tallies	Tallies	Weighted Tallies
FIRST CLASS	SINGLE PIECE	3,180	228,570,448.15	3,848	277,738,522.97	294	21,606,245.16
	PRESORT	1,057	74,919,444.55	407	28,849,845.94	10	733,388.26
STD. MAIL	REGULAR	1,910	138,371,019.01	3,709	275,441,301.63	159	11,957,648.20

TABLE 3--

OUNCE INCREMENT: 2 OZS. < WEIGHT <= 3 OZS.		LETTER		FLAT		IPP or PARCEL	
		Tallies	Weighted Tallies	Tallies	Weighted Tallies	Tallies	Weighted Tallies
FIRST CLASS	SINGLE PIECE	850	58,418,000.75	2,063	149,326,912.15	261	17,601,133.38
	PRESORT	170	12,243,808.04	216	15,624,257.47	5	308,658.80
STD. MAIL	REGULAR	531	37,020,488.59	2,504	183,908,218.72	164	12,092,558.69

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a. (Continued)

TABLE 4

OUNCE INCREMENT: 3 OZS. < WEIGHT ≤ 4 OZS.		LETTER		FLAT		IPP or PARCEL	
		Tallies	Weighted Tallies	Tallies	Weighted Tallies	Tallies	Weighted Tallies
FIRST CLASS	SINGLE PIECE	311	21,831,773.20	1,638	116,548,518.66	334	23,551,499.39
	PRESORT	78	5,243,226.38	163	11,924,229.65	7	500,144.88
STD. MAIL	REGULAR	293	20,042,593.51	2,659	196,945,494.47	273	20,714,105.91

TABLE 5

OUNCE INCREMENT: WEIGHT > 4 OZS.		LETTER		FLAT		IPP or PARCEL	
		Tallies	Weighted Tallies	Tallies	Weighted Tallies	Tallies	Weighted Tallies
FIRST CLASS	SINGLE PIECE	146	9,760,737.07	2,640	189,456,089.77	894	64,136,462.36
	PRESORT	53	3,568,980.38	172	12,421,327.43	9	574,326.27
STD. MAIL	REGULAR	144	10,692,189.50	3,082	231,163,495.43	1,120	82,822,619.58

b. Tables 6-9, 10(a.) and 10(b.) display IOCS direct tallies by ounce increment and activity code for letters, flats, IPPs, and parcels in First-Class Single-Piece, First-Class Presort, and Standard Mail Regular. In IOCS, activity code provides the most extensive information about depth of sort.

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TABLE 6

OUNCE INCREMENT: WEIGHT <= 1 OZ.		LETTER		FLAT		IPP or PARCEL	
		Tallies	Weighted Tallies	Tallies	Weighted Tallies	Tallies	Weighted Tallies
Mail Class	Activity Code						
FIRST-CLASS	1060-SINGLE-PIECE	34,006	2,524,457,467.67	0	0	0	0
	1080-NONAUTOMATED PRESORT	4,303	322,314,186.24	0	0	0	0
	1085-AUTOMATED CARRIER ROUTE PRESORT	181	14,034,564.88	0	0	0	0
	1086-AUTOMATED PRESORT	9,160	685,545,149.59	0	0	0	0
	2060-SINGLE-PIECE	0	0	1,873	134,494,769.73	0	0
	2080-NONAUTOMATED PRESORT	0	0	109	6,972,672.54	0	0
	2086-AUTOMATED PRESORT	0	0	328	24,133,765.95	0	0
	3060-IPP UP TO 8 OZ.	0	0	0	0	154	10,621,039.10
	3080-IPP UP TO 8 OZ. NONAUTOMATED PRESORT	0	0	0	0	8	508,767.41
STD. MAIL	1340-REGULAR NONAUTOMATED PRESORT	3,124	230,868,206.96	0	0	0	0
	1345-REGULAR AUTOMATED PRESORT	4,603	332,786,430.60	0	0	0	0
	1350-NONPROFIT NONAUTOMATED PRESORT	1,421	104,812,327.13	0	0	0	0
	1355-NONPROFIT AUTOMATED PRESORT	1,294	92,995,886.34	0	0	0	0
	2340-REGULAR NONAUTOMATED PRESORT	0	0	730	54,007,287.06	0	0
	2345-REGULAR AUTOMATED PRESORT	0	0	1,463	106,869,344.72	0	0
	2350-NONPROFIT NONAUTOMATED PRESORT	0	0	209	15,712,532.56	0	0
	2355-NONPROFIT AUTOMATED PRESORT	0	0	235	17,429,737.51	0	0
	3340-REGULAR NONAUTOMATED PRESORT	0	0	0	0	87	6,330,932.08
	3350-NONPROFIT NONAUTOMATED PRESORT	0	0	0	0	14	846,768.80

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TABLE 7

OUNCE INCREMENT: 1 oz. < WEIGHT ≤ 2 OZs		LETTER		FLAT		IPP or PARCEL	
		Tallies	Weighted Tallies	Tallies	Weighted Tallies	Tallies	Weighted Tallies
Mail Class	Activity Code						
FIRST-CLASS	1060-SINGLE-PIECE	3,180	228,570,448.15	0	0	0	0
	1080-NONAUTOMATED PRESORT	325	23,913,301.45	0	0	0	0
	1085-AUTOMATED CARRIER ROUTE PRESORT	11	867,812.83	0	0	0	0
	1086-AUTOMATED PRESORT	721	50,138,330.27	0	0	0	0
	2060-SINGLE-PIECE	0	0	3,848	277,738,522.97	0	0
	2080-NONAUTOMATED PRESORT	0	0	131	9,515,600.54	0	0
	2086-AUTOMATED PRESORT	0	0	276	19,334,245.40	0	0
	3060-IPP UP TO 8 OZ.	0	0	0	0	294	21,606,245.16
	3080-IPP UP TO 8 OZ. NONAUTOMATED PRESORT	0	0	0	0	10	733,388.26
STD. MAIL	1340-REGULAR NONAUTOMATED PRESORT	572	41,927,048.48	0	0	0	0
	1345-REGULAR AUTOMATED PRESORT	916	65,792,406.26	0	0	0	0
	1350-NONPROFIT NONAUTOMATED PRESORT	185	14,053,826.10	0	0	0	0
	1355-NONPROFIT AUTOMATED PRESORT	237	16,597,738.37	0	0	0	0
	2340-REGULAR NONAUTOMATED PRESORT	0	0	936	69,512,732.28	0	0
	2345-REGULAR AUTOMATED PRESORT	0	0	2,230	165,113,958.95	0	0
	2350-NONPROFIT NONAUTOMATED PRESORT	0	0	225	17,411,869.05	0	0
	2355-NONPROFIT AUTOMATED PRESORT	0	0	318	23,402,641.35	0	0
	3340-REGULAR NONAUTOMATED PRESORT	0	0	0	0	143	10,925,547.13
	3350-NONPROFIT NONAUTOMATED PRESORT	0	0	0	0	16	1,032,101.07

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TABLE 8 OUNCE INCREMENT: 2 OZS. < WEIGHT <= 3 OZS.		LETTER		FLAT		IPP or PARCEL	
Mail Class	Activity Code	Tallies	Weighted Tallies	Tallies	Weighted Tallies	Tallies	Weighted Tallies
FIRST-CLASS	1060-SINGLE-PIECE	850	58,418,000.75	0	0	0	0
	1080-NONAUTOMATED PRESORT	67	4,920,248.98	0	0	0	0
	1086-AUTOMATED PRESORT	103	7,323,559.06	0	0	0	0
	2060-SINGLE-PIECE	0	0	2,063	149,326,912.15	0	0
	2080-NONAUTOMATED PRESORT	0	0	55	4,288,650.47	0	0
	2086-AUTOMATED PRESORT	0	0	161	11,335,607.00	0	0
	3060-IPP UP TO 8 OZ.	0	0	0	0	261	17,601,133.38
	3080-IPP UP TO 8 OZ. NONAUTOMATED PRESORT	0	0	0	0	5	308,658.80
STD. MAIL	1340-REGULAR NONAUTOMATED PRESORT	155	11,214,547.71	0	0	0	0
	1345-REGULAR AUTOMATED PRESORT	276	19,613,489.41	0	0	0	0
	1350-NONPROFIT NONAUTOMATED PRESORT	43	2,798,103.02	0	0	0	0
	1355-NONPROFIT AUTOMATED PRESORT	57	3,394,348.45	0	0	0	0
	2340-REGULAR NONAUTOMATED PRESORT	0	0	595	43,732,757.97	0	0
	2345-REGULAR AUTOMATED PRESORT	0	0	1,629	120,628,701.15	0	0
	2350-NONPROFIT NONAUTOMATED PRESORT	0	0	103	6,897,145.04	0	0
	2355-NONPROFIT AUTOMATED PRESORT	0	0	177	12,649,614.56	0	0
	3340-REGULAR NONAUTOMATED PRESORT	0	0	0	0	147	11,016,736.70
	3350-NONPROFIT NONAUTOMATED PRESORT	0	0	0	0	17	1,075,821.99

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TABLE 9-- OUNCE INCREMENT: 3 OZS. < WEIGHT <= 4 OZS.		LETTER		FLAT		IPP or PARCEL	
		Tallies	Weighted Tallies	Tallies	Weighted Tallies	Tallies	Weighted Tallies
Mail Class	Activity Code						
FIRST-CLASS	1060-SINGLE-PIECE	311	21,831,773.20	0	0	0	0
	1080-NONAUTOMATED PRESORT	31	2,229,450.78	0	0	0	0
	1086-AUTOMATED PRESORT	47	3,013,775.60	0	0	0	0
	2060-SINGLE-PIECE	0	0	1,638	116,548,518.66	0	0
	2080-NONAUTOMATED PRESORT	0	0	46	3,255,342.60	0	0
	2086-AUTOMATED PRESORT	0	0	117	8,668,887.05	0	0
	3060-IPP UP TO 8 OZ.	0	0	0	0	334	23,551,499.39
	3080-IPP UP TO 8 OZ. NONAUTOMATED PRESORT	0	0	0	0	7	500,144.88
STD. MAIL	1340-REGULAR NONAUTOMATED PRESORT	96	6,911,407.08	0	0	0	0
	1345-REGULAR AUTOMATED PRESORT	144	9,466,654.43	0	0	0	0
	1350-NONPROFIT NONAUTOMATED PRESORT	24	1,588,171.75	0	0	0	0
	1355-NONPROFIT AUTOMATED PRESORT	29	2,076,360.25	0	0	0	0
	2340-REGULAR NONAUTOMATED PRESORT	0	0	577	41,330,825.13	0	0
	2345-REGULAR AUTOMATED PRESORT	0	0	1,801	135,867,595.32	0	0
	2350-NONPROFIT NONAUTOMATED PRESORT	0	0	104	6,937,763.91	0	0
	2355-NONPROFIT AUTOMATED PRESORT	0	0	177	12,809,310.11	0	0
	3340-REGULAR NONAUTOMATED PRESORT	0	0	0	0	256	19,449,727.23
	3350-NONPROFIT NONAUTOMATED PRESORT	0	0	0	0	17	1,264,378.68

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TABLE 10(a.)

OUNCE INCREMENT: WEIGHT > 4 OZS.		LETTER		FLAT		IPP or PARCEL	
		Tallies	Weighted Tallies	Tallies	Weighted Tallies	Tallies	Weighted Tallies
Mail Class	Activity Code						
FIRST-CLASS	1060-SINGLE-PIECE	146	9,760,737.07	0	0	0	0
	1080-NONAUTOMATED PRESORT	28	1,763,619.96	0	0	0	0
	1086-AUTOMATED PRESORT	25	1,805,360.42	0	0	0	0
	2060-SINGLE-PIECE	0	0	2,640	189,456,089.77	0	0
	2080-NONAUTOMATED PRESORT	0	0	65	4,778,334.35	0	0
	2086-AUTOMATED PRESORT	0	0	107	7,642,993.08	0	0
	3060-IPP UP TO 8 OZ.	0	0	0	0	390	28,465,699.63
	3080-IPP UP TO 8 OZ. NONAUTOMATED PRESORT	0	0	0	0	3	167,688.19
	4060-PARCEL UP TO 8 OZ.	0	0	0	0	504	35,670,762.73
	4080-PARCEL UP TO 8 OZ. NONAUTOMATED PRESORT	0	0	0	0	6	406,638.08

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TABLE 10(b.)

OUNCE INCREMENT: WEIGHT >4 OZS.		LETTER		FLAT		IFF or PARCEL	
		Tallies	Weighted Tallies	Tallies	Weighted Tallies	Tallies	Weighted Tallies
Mail Class	Activity Code						
STD. MAIL	1340-REGULAR NONAUTOMATED PRESORT	65	4,891,501.80	0	0	0	0
	1345-REGULAR AUTOMATED PRESORT	51	3,862,134.06	0	0	0	0
	1350-NONPROFIT NONAUTOMATED PRESORT	11	756,903.89	0	0	0	0
	1355-NONPROFIT AUTOMATED PRESORT	17	1,181,649.75	0	0	0	0
	2340-REGULAR NONAUTOMATED PRESORT	0	0	676	50,431,560.83	0	0
	2345-REGULAR AUTOMATED PRESORT	0	0	2,149	161,872,977.99	0	0
	2350-NONPROFIT NONAUTOMATED PRESORT	0	0	84	5,904,210.28	0	0
	2355-NONPROFIT AUTOMATED PRESORT	0	0	173	12,954,746.33	0	0
	3340-REGULAR NONAUTOMATED PRESORT	0	0	0	0	291	21,478,816.48
	3350-NONPROFIT NONAUTOMATED PRESORT	0	0	0	0	26	1,789,312.88
	4340-REGULAR NONAUTOMATED PRESORT	0	0	0	0	767	57,048,558.01
	4350-NONPROFIT NONAUTOMATED PRESORT	0	0	0	0	36	2,505,932.21

**RESPONSE OF UNITED STATES POSTAL SERVICE TO
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OCA/USPS-113 Please refer to the Postal Service's response to Interrogatory AOL-TW/USPS-6(f). That response states, in part (emphasis added):

Processing schedules by machine type are developed by In-Plant Support in advance of receiving an AFSM 100 to determine exactly when each piece of equipment will be run and what type of mail will be run on each for an **average** day. This plan includes a priority ranking of mail types by machine type so that if a given machine type is not available, supervisors will have a backup plan to implement.

- a. Please define "average day."
- b. Please provide an example of a "plan [that] includes a priority ranking of mail types by machine type."
- c. Please provide an example of a "[p]rocessing schedule."
- d. Please provide an example of the calculations used to determine the characteristics of an "average day."
- e. Please provide copies of all instructions or other documents relating to the determination of what constitutes an "average day."
- f. Please provide copies of all instructions or other documents relating to the creation of a "priority ranking."
- g. Please provide copies of all instructions or other documents relating to the actions supervisors or managers should take in the event that a day is above "average."
- h. Please provide copies of all instructions or other documents relating to the actions supervisors or managers should take in the event that a day is below "average."
- i. Please respond to the above parts of this interrogatory for each piece of equipment used to sort letters and cards.

Response:

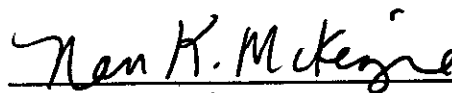
- a. An "average day" is a day with the typical daily volume of the appropriate type of mail arriving at the processing operation in question.
- b. See OCA/USPS-93i and j.

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- c. An example of a processing schedule is provided by screen shots in the Machine Scheduler LE Users Guide provided as USPS-LR-J-166.
- d. A standard procedure is to start with the annual volume for the mail type and group of operations. If it is an outgoing group, the annual volume is divided by 250 days per year to get a representative processing day most applicable (typically) to Wednesday for letters and Thursday for flats. If it is an incoming operation group, the annual volume is divided by 302 delivery days per year. If average volumes by day of the week are required, they are prorated from the average daily volume using locally developed factors. The exact procedure used at individual plants may vary.
- e. We are not aware of any documents on the determination of what constitutes an average day.
- f. See OCA/USPS-93i and j.
- g. See OCA/USPS-93i and j.
- h. In R97-1, USPS witness Steele described the actions that managers and supervisors may take to adjust to volume fluctuations. (See USPS-RT-8, page 10) We are not aware of other documents on this subject.
- i. The answers to the above parts of this interrogatory would be the same for letters and cards with the caveat that for letters and cards there are only two remaining types of processing: automated and manual.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

A handwritten signature in cursive script, reading "Nan K. Mckenize", written over a horizontal line.

Nan K. Mckenize

475 L'Enfant Plaza West, S.W.
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November 2, 2001